

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

THE NOTICE OF PURCHASED GAS)	
ADJUSTMENT OF PENDLETON COUNTY)	CASE NO. 8568-FF
WATER DISTRICT, GAS DIVISION)	

O R D E R

On October 6, 1986, Pendleton County Water District, Gas Division ("Pendleton") filed with this Commission an application to reduce its retail rates pursuant to its purchased gas adjustment clause. Pendleton filed the application based on a tariff sheet received from its supplier, Columbia Gas Transmission Corporation ("Transmission"), bearing an issue date of September 30, 1986, and a proposed effective date of November 1, 1986. However, that tariff sheet was filed with the Federal Energy Regulatory Commission ("FERC") on September 30, 1986, in order to take into consideration the 30-day notice period and 5-month suspension period so the rates may become effective April 1, 1987.

After reviewing the record in this case and being advised, the Commission is of the opinion and finds that:

(1) Transmission filed for suspended rates not yet approved by FERC.

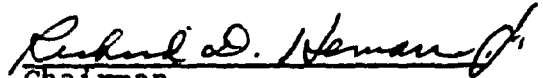
(2) Pendleton's adjustments in rates under the purchased gas adjustment provision approved by the Commission in its Order in Case No. 8568, dated December 8, 1982, are not fair, just or reasonable and not in the public interest and should be denied.


IT IS THEREFORE ORDERED that:

(1) The rates proposed be and they hereby are denied.

Done at Frankfort, Kentucky, this 15th day of October, 1986.

PUBLIC SERVICE COMMISSION


Chairman


Vice Chairman


Commissioner

ATTEST:

Executive Director